

MRP PCMS Purchase Card Oversight Issues

This guidance was developed to assist MRP in monitoring PCMS transactions to ensure that purchases are appropriate and in accordance with the Departmental Regulation (DR 5013-6). The Local Agency Program Coordinators (LAPCs) are responsible for monitoring the items listed below; they are authorized to request receipts and supporting documentation to perform reviews deemed necessary. The LAPCs will provide their findings and recommendations to the Agency Program Coordinator (APC) for final decisions. Cardholders and supervisors/managers will be notified of the outcome.

The supervisor/manager plays a critical role in ensuring that the requirements of the purchase card program are followed and has important first-line oversight responsibilities. The supervisor/manager is responsible for monitoring and reviewing the appropriateness of items purchased by cardholders and ensuring they maintain adequate documentation of all purchase card charges

The following items are being monitored by the LAPCs:

1. Transactions purchased over the single purchase limit delegated to the cardholder
2. Split purchases defined as:
 - a) A single cardholder making multiple purchases from the same merchant on the same day, the total of which exceeds the single purchase limit and the total requirement was known at the time of the first purchase;
 - b) A single cardholder purchasing the same/similar item (s) from multiple merchants on the same day, the total of which exceeds the single purchase limit and the total was known at the time of the first purchase;
 - c) A single cardholder making multiple purchases of similar items from the same or multiple merchants over a period of time when the total requirement was known at the time of the first purchase and the value exceeds the single purchase limit;
 - d) Multiple cardholders under the same supervision/approving official purchasing the same/similar item (s) the same day or in a compressed timeframe when the total requirement is known at a given time and exceeds the single purchase limit.
3. Non-check writers who issued checks after July 1, 2003
4. Pre-authorized check writers who issued checks outside of the waiver categories (see AGAR, Advisory No. 52 - Prohibition on Using Convenience Checks for Purchases or Payments).
5. Cardholders who failed to provide receipts or other supporting documentation when requested
6. Dormant and low card usage accounts
7. Purchase limits (to determine if the limits are appropriate based on history).
8. PCMS purchase cards/checks for travel related expenses (i.e., airline tickets, lodging, and meals).

9. Cardholders who failed to reconcile and provide proper item descriptions within 60 days.
10. Cardholders who failed to support the required government sources of supplies and services. (This is to comply with the Federal Acquisition Regulation (FAR), Part 8.)
11. Cardholders who failed to acquire planners and inserts from the required source, JWOD/DAYMAX.
12. PCMS purchase cards/convenience checks written in excess of \$350.00 to acquire telecommunications resources.
13. PCMS purchase cards/convenience checks used to pay for recurring telecommunications services regardless of the dollar amount.
14. PCMS transactions reconciled to an incorrect budget object class. The LAPC will contact cardholders who have transactions to an incorrect budget object class to re-reconcile.
15. Ensure cardholders' transactions are compliance with existing policies and guidelines.
16. Ensuring that the property in excess of \$5,000 or more is reported to the PROP System. **(NOTE: This only applies to the purchasing agents and contracting officers who are warranted.)**

Each cardholder will be given the opportunity to provide a justification for the item (s) being monitored before further action is taken. Cardholders are solely responsible for purchases made with their purchase cards. Each case will be evaluated on its own merits. The objective here is not to overly concern the individual but to ensure that they fully understand their responsibilities, and the consequences with failing to use the purchase card in accordance with existing policies and guidelines. Consequences may include, but are not limited to a letter of caution, disciplinary action, or cancellation of the purchase card privileges.